

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE TWENTY-SECOND ANNUAL GENERAL MEETING OF AXIATA GROUP BERHAD (“AXIATA” OR “THE COMPANY”) WILL BE HELD AT THE GRAND BALLROOM, 1ST FLOOR, SIME DARBY CONVENTION CENTRE, 1A JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR, MALAYSIA ON WEDNESDAY, 28 MAY 2014 AT 10.00 A.M. FOR THE FOLLOWING PURPOSES:-

AS ORDINARY BUSINESS:-

1. To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Report of the Directors and the Auditors thereon. **(Ordinary Resolution 1)**
2. To declare a final tax exempt dividend under single tier system of 14 sen per ordinary share for the financial year ended 31 December 2013. **(Ordinary Resolution 2)**
3. To re-elect Datuk Azzat Kamaludin who retires by rotation pursuant to Article 93 of the Company’s Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 3)**
4. To re-elect Juan Villalonga Navarro who retires by rotation pursuant to Article 93 of the Company’s Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 4)**
5. To re-elect Kenneth Shen who retires by rotation pursuant to Article 93 of the Company’s Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 5)**
6. To approve the payment of Directors’ fees of RM30,000.00 per month for the Non-Executive Chairman (NEC) and RM20,000.00 per month for each Non-Executive Director (NED) with effect from the 22nd Annual General Meeting (22nd AGM) until the next Annual General Meeting of the Company. **(Ordinary Resolution 6)**
7. To determine and approve the payment of the following Directors’ fees with effect from the 22nd AGM until the next Annual General Meeting of the Company:-
 - i) Directors’ fees of RM4,000.00 per month to the NEC and RM2,000.00 per month to each of the NEDs who are members of the Board Audit Committee;
 - ii) Directors’ fees of RM1,200.00 per month to the NEC and RM800.00 per month to each of the NEDs who are members of the Board Nomination Committee; and
 - iii) Directors’ fees of RM1,200.00 per month to the NEC and RM800.00 per month to each of the NEDs who are members of the Board Remuneration Committee;(each of the foregoing payments being exclusive of the others). **(Ordinary Resolution 7)**
8. To re-appoint Messrs PricewaterhouseCoopers having consented to act as the Auditors of the Company for the financial year ending 31 December 2014 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

AS SPECIAL BUSINESS:-

To consider and, if thought fit, to pass the following Ordinary Resolutions:-

9. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

“THAT, in accordance with paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) (Main LR), approval be and is hereby given for Axiata and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, as set out in ‘Appendix I’ of the Circular to Shareholders dated 6 May 2014 (Circular) despatched together with the Company’s 2013 Annual Report, which are necessary for the day-to-day operations in the ordinary course of the business of the Company and/or its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT such approval will continue to be in force and effect until:-

- i) the conclusion of the next Annual General Meeting of the Company at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;
- ii) the expiration of the period within which the Company’s next Annual General Meeting is required to be held under Section 143(1) of the Companies Act, 1965 (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts, deeds and things (including without limitation, to execute such documents under the common seal in accordance with the provisions of the Articles of Association of the Company, as may be required) to give effect to the aforesaid shareholders’ mandate and transactions contemplated under this resolution.” **(Ordinary Resolution 9)**

10. AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR DIRECTORS TO ALLOT AND ISSUE SHARES IN THE COMPANY

“THAT pursuant to Section 132D of the Companies Act, 1965, full authority be and is hereby given to the Directors of the Company to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting, and upon such terms and conditions, and for such purposes, as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being.” **(Ordinary Resolution 10)**

11. PROPOSED DIVIDEND REINVESTMENT SCHEME THAT PROVIDES THE SHAREHOLDERS OF AXIATA (“SHAREHOLDERS”) WITH THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN NEW ORDINARY SHARES OF RM1.00 EACH IN AXIATA (“AXIATA SHARES”) (“PROPOSED DRS”)

“THAT subject to the relevant regulatory approvals being obtained, if required, and to the extent permitted by law in relation to the Proposed DRS, approval be and is hereby given to the Directors of the Company to:-

- i) establish and implement the Proposed DRS on and in accordance with the terms and conditions set forth in Part B and ‘Appendix II’ of the Circular;

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- ii) to determine, in the Directors' absolute discretion, which cash dividend (whether interim, final, special or any other cash dividend) declared and/or approved by the Directors and/or the Company at any time and from time to time the Proposed DRS is to apply to; and
- iii) allot and issue such number of new Axiata Shares from time to time as may be required to be allotted and issued pursuant to the Proposed DRS until the conclusion of the next Annual General Meeting of the Company, upon such terms and conditions as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company;

THAT the said new Axiata Shares to be issued pursuant to the Proposed DRS shall, upon allotment and issue, rank *pari passu* in all respects with the existing Axiata Shares then in issue, except that the holders of such new Axiata Shares shall not be entitled to any and all dividends, rights, allotments and/or other distributions in respect of which the entitlement date is before the allotment date for the said new Axiata Shares. For the purpose thereof, the entitlement date means the date as at the close of business on which shareholders of the Company must be registered in order to participate in any dividend, right, allotment and/or other distribution;

THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the Proposed DRS with full powers to assent to any condition, modification, variation and/or amendment (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said condition, modification, variation and/or amendment as the Directors may deem fit and in the best interest of the Company;

AND THAT the Proposed DRS shall not be offered for subscription, and no document relating to the Proposed DRS shall be issued or sent, to any Shareholder having his/her/its registered address outside Malaysia, or any Shareholder which has not provided an address in Malaysia at which such documents may be delivered to."

(Ordinary Resolution 11)

12. **PROPOSED EXTENSION OF THE DURATION OF AXIATA'S PERFORMANCE-BASED SHARE OPTION AND SHARE SCHEME ("AXIATA SHARE SCHEME")**

"THAT approval be and is hereby given for the proposed extension of the duration of Axiata Share Scheme for another 2 years from 15 April 2017 to 15 April 2019 (Proposed Extension);

THAT approval be and is hereby given for the execution by the Company of the supplemental deed to vary the terms of the Bye-Laws governing Axiata Share Scheme, the terms of which are set out in Section 2.2, Part C of the Circular (Proposed Supplemental Deed) to give effect to the said Proposed Extension;

AND THAT in order to implement, complete and give full effect to the Proposed Extension and the Proposed Supplemental Deed, approval be and is hereby given to the Directors of the Company to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as they may deem necessary, expedient and/or appropriate, with full powers to assent to any condition, modification, variation and/or amendment thereto as the Directors of the Company may deem fit and in the best interest of the Company."

(Ordinary Resolution 12)

13. To transact any other ordinary business for which due notice has been given in accordance with Section 151 of the Companies Act, 1965.

NOTICE ON DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT a final tax exempt dividend under single tier system of 14 sen per ordinary share for the financial year ended 31 December 2013 as recommended by Directors of the Company on 19 February 2014 and if approved by the shareholders of the Company at the forthcoming 22nd AGM will be paid on 19 June 2014 to Depositors whose names appear in the Register of Members/Record of Depositors of the Company on 4 June 2014.

FURTHER NOTICE IS HEREBY GIVEN THAT a Depositor shall qualify for entitlement to the dividends only in respect of:-

- i) Shares deposited into the Depositor's Securities Account before 12:30 p.m. on 2 June 2014 (in respect of shares which are exempted from Mandatory Deposit);
- ii) Shares transferred into the Depositor's Securities Account before 4:00 p.m. on 4 June 2014; and
- iii) Shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

Shareholders are reminded that pursuant to Securities Industry (Central Depositories) Act 1991 (SICDA), all shares not deposited with Bursa Malaysia Depository Sdn Bhd (Bursa Depository) by 12:30 p.m. on 1 December 1998 and not exempted from Mandatory Deposit, have been transferred to the Ministry of Finance (MoF). Accordingly, the dividend for such undeposited shares will be paid to MoF.

BY ORDER OF THE BOARD

Suryani Hussein (LS0009277)
Group Company Secretary

Kuala Lumpur, Malaysia
6 May 2014

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NOTES:

Proxy and/or Authorised Representatives

1. A Member entitled to attend and vote at the above Meeting is entitled to appoint a proxy without any restriction to the qualification of the proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company and the restrictions provided in Section 149(1) (a), (b), (c) and (d) of the Companies Act, 1965 shall not apply to the Company.
2. The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/or subject to Article 34A of the Company's Articles of Association in relation to the Record of Depositors made available to the Company.
3. A Member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf. Where a Member appoints two (2) proxies, the appointment shall be invalid unless the percentage of the shareholding to be represented by each proxy is specified.
4. Where a Member is an authorised nominee as defined under the SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

Every appointment submitted by an authorised nominee as defined under the SICDA, must specify the CDS Account Number.

5. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in respect of each securities account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominees may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy shall:-
 - a) in the case of an individual, be signed by the appointer or by his/her attorney; or
 - b) in the case of a corporation, be either under its common seal or signed by its attorney or an officer on behalf of the corporation.

If the instrument appointing a proxy is signed by an officer on behalf of the corporation, it should be accompanied by a statement reading "signed as authorised officer under an Authorisation Document, which is still in force, no notice of revocation has been received". If the instrument appointing a proxy is signed by the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under a power of attorney, which is still in force, no notice of revocation has been received".

7. A corporation which is a Member, may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting, in accordance with Article 89 of the Company's Articles of Association.

8. The instrument appointing the proxy together with the duly registered power of attorney referred to in Note 6 above, if any, must be deposited at the office of the Share Registrar, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding of the Meeting or at any adjournment thereof.

Members Entitled to Attend, Speak and Vote

9. For purposes of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting, the Company shall be requesting Bursa Depository, in accordance with Article 66 of the Company's Articles of Association and Section 34(1) of the SICDA, to issue a General Meeting Record of Depositors as at 20 May 2014. Only a depositor whose name appears in the General Meeting Record of Depositors as at 20 May 2014 shall be entitled to attend, speak and vote at the said meeting or appoint a proxy(ies) on his/her behalf.

Audited Financial Statements for financial year ended 31 December 2013

10. The Audited Financial Statements under Agenda 1 are laid before the shareholders pursuant to the provisions of Section 169(1) and (3) of the Companies Act, 1965. The same is for discussion and tabled for voting as a formality.

Re-election of Directors who retire by rotation pursuant to Article 93

11. Article 93 of the Company's Articles of Association provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an Annual General Meeting of the Company. All the Directors shall retire from office once at least in each three years but shall be eligible for re-election.

As stated in the Statement Accompanying Notice of 22nd AGM, profiles of the retiring Directors are set out in the Profile of Directors' section of the Company's 2013 Annual Report from pages 050 to 055.

Determination and Payment of Directors' fees

12. Article 106(i) of the Company's Articles of Association provides that the fees payable to the Directors shall from time to time be determined by an ordinary resolution of the Company in general meeting. Such fees cannot be increased except pursuant to an ordinary resolution passed at the Company's general meeting. Therefore, shareholders' approvals are required for the determination and payment of Directors' fees.

The rationale for the introduction of monthly fixed fees for Board Committees is provided on page 104 of the Company's 2013 Annual Report.

Appointment of Auditors

13. The Board had at its meeting held on 19 February 2014 recommended the re-appointment of Messrs PricewaterhouseCoopers as Auditors of the Company.

EXPLANATORY NOTES ON SPECIAL BUSINESS

I. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The proposed Ordinary Resolution 9, if approved, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are on terms not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next Annual General Meeting unless authority for its renewal is obtained from shareholders of the Company at such general meeting.

Detailed information on the Proposed Shareholders' Mandate is set out in Part A of the Circular which is despatched together with the Company's 2013 Annual Report.

II. AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR DIRECTORS TO ALLOT AND ISSUE SHARES IN THE COMPANY

The proposed Ordinary Resolution 10, if approved, will empower the Directors to timely allot and issue new Axiata Shares up to an amount not exceeding in total 10% of the issued and paid-up share capital of the Company for such purposes as the Directors consider would be in the best interest of the Company. This provides the Directors with flexibility for any possible fund raising activities, including but not limited to further placing of shares, for working capital and/or general corporate purposes. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

III. PROPOSED DIVIDEND REINVESTMENT SCHEME

The proposed Ordinary Resolution 11, if approved, will provide Shareholders with an opportunity to reinvest their cash dividends (Dividends) in new Shares (New Shares) in lieu of receiving cash. Subject to determination by the Directors, Shareholders may be offered an option to reinvest such Dividends in New Shares (Option to Reinvest) and where applicable, the portion of such Dividends to which the Option to Reinvest applies (Electable Portion).

Shareholders shall have the following options in respect of the Option to Reinvest:-

- a) to elect to participate by reinvesting in whole or in part the Electable Portion at the issue price for New Shares.

In the event that only part of the Electable Portion is reinvested, the Shareholders shall receive the remaining portion of the Dividends entitlement wholly in cash; or

- b) to elect not to participate in the Option to Reinvest and thereby receive the entire Dividends entitlement wholly in cash.

Detailed information on the Proposed DRS is set out in Part B of the Circular.

IV. PROPOSED EXTENSION

The Company had, on 16 April 2009, established the Performance-based Employee Share Option Scheme (Axiata ESOS) for a period of 8 years. Effective 15 July 2011, the Bye-Laws governing Axiata ESOS was amended to include a restricted share plan, and the Axiata ESOS was thereafter renamed the Axiata Share Scheme. The Axiata Share Scheme is expiring on 15 April 2017 and in this regard, Axiata proposes to extend the duration of the Axiata Share Scheme for a period of 2 years until 15 April 2019 (Extended Expiry Date). The Proposed Extension of the Axiata Share Scheme is consistent with the maximum duration of 10 years allowed by the Main LR for any employee share issuance scheme.

Apart from the Proposed Extension, the other salient terms and conditions of the Bye-Laws, including among others, the following, shall remain unchanged:-

- a) the maximum number of Axiata Shares available under the Axiata Share Scheme and maximum allowable allotment;
- b) eligibility of employees to participate in the Axiata Share Scheme; and
- c) ranking of the Axiata Shares to be issued under the Axiata Share Scheme where grants are made under the restricted share plan.

The proposed Ordinary Resolution 12, if approved, will allow for two (2) annual grants to the eligible employees prior to the Extended Expiry Date which have a vesting period of up to three (3) years, subject to such employees meeting the financial and performance targets determined by the Board.

The Proposed Supplemental Deed will facilitate the implementation of the Proposed Extension. The Proposed Supplemental Deed shall be effective upon the approval of the shareholders at the 22nd AGM and execution of the same by the Company.

Detailed information on the Proposed Extension and the Proposed Supplemental Deed is set out in Part C of the Circular.

Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.27(2) Main LR

DIRECTORS STANDING FOR RE-ELECTION AT THE TWENTY-SECOND ANNUAL GENERAL MEETING

The following are Directors retiring by rotation pursuant to Article 93 of the Company's Articles of Association:-

1. Datuk Azzat Kamaludin
2. Juan Villalonga Navarro
3. Kenneth Shen

The profile of the above Directors are set out in the Profile of Directors' section of the Annual Report from pages 050 to 055.

None of the above Directors have any direct and/or indirect interest in the Company and its related corporations.